

CFAC MEETING SUMMARY NOTES

PORT OF SAN DIEGO

*Administrative Building
3165 Pacific Highway
San Diego 92101*

TUESDAY, JANUARY 9, 2019

MEETING TIME

9:00 AM – 3:15 PM

<u>AGENDA ITEM #1</u>	<u>TOPIC</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
9:00 AM – 9:15 AM	Call Meeting to Order	Introduction	N/A
	<ul style="list-style-type: none">Coco Briseño, <i>Deputy Director, Planning and Modal Programs, Caltrans</i>Cory Binns, <i>District Director, Caltrans District 11</i>		

NOTES:

- Chris Schmidt, Chief, Division of Transportation Planning called meeting to order on behalf of Coco Briseño, Deputy Director, Caltrans Multi-Modal Programs at approximately 9:00 am.
- Cory Binns, Caltrans District 11 Director, introduced topics relating to the state of the economy in San Diego, including:
 - San Diego is the 5th largest economy in the world, representing 10% of GDP of California.
 - Key economic drivers include tourism and trade due to close proximity to land, marine, and airports contributing to the larger goods movement flows throughout the state and country.
 - \$30 billion in goods cross the Southern border annually.
 - With the passing of SB 1 there will be continued growth to the economy within the region.

<u>AGENDA ITEM #2</u>	<u>TOPIC</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
9:15 AM – 10:15 AM	Welcome and Overview	Informational Presentation	N/A
	<ul style="list-style-type: none">Rafael Castellanos, <i>Chairman, Port of</i>		

	<i>San Diego Commissioner</i> <ul style="list-style-type: none"> • Sophie Silvestri, <i>Pasha Automotive</i> • Sarah Marsh, Dole Fresh Fruit 		
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NOTES:

- Rafael Castellanos, Chairman, Board of Ports, was introduced by Chris Schmidt.
 - Port of San Diego is one of seventeen strategic ports in the nation and possesses the largest force fishing fleet in the world.
 - One of the top commodities entering the Port is Bananas, with over 180 million moving through the Port each month.
 - A key distinguishing feature of the Port is its roll-on, roll-off cargo and cruise terminal.
- Sophie Silvestri with Pasha Terminal Operations presented the next agenda topic and provided an overview of terminal services provided by Pasha Automotive:
 - Pasha became licensed as a terminal operator in San Diego since 1990 and family owned and operated since 1947.
 - The main terminal is 115 acres located adjacent to Burlington Northern Santa Fe (BNSF) Railway at the National City Marine Terminal.
 - The port operates within the National City Plan, which promotes efficiency increases.
 - There are several offsite storage facilities in Chula Vista, a trucking route in Otay Mesa, along with a truck processing center.
 - Isuzu is the largest Pasha customer and hasn't had any tariff issues so far.
 - National City employs 580 workers, making them one of the biggest employers.
 - The state is good at making grants available and notifying when applications are open.
 - Pasha distribution services and third-party trucking companies post-port, with a few hundred trucks on average.
 - Sixty trucks take trips to Mexicali every day.
- Sarah Marsh from Dole provided a presentation overview of banana freight flows entering and exiting the Port of San Diego.
 - With a large influx of Dole fresh bananas and pineapples entering and exiting the Port, Dole has become the fifth largest importer of containerized goods and products within North America.
 - Dole operates in thirteen Ports nationwide and operates thirteen refrigerated boats.
 - San Diego is the second largest import in the United States with 2.6 billion bananas and 54 million pineapples in the S. Diego region.

- 60% of Dole imports stay within California, which has expanded their terminal uptake but not due to a lack of space.
- Sustainable integration into operations include all-electric UTR's for terminal cargo.
- The Port of San Diego was chosen over Los Angeles due to issues with traffic and lack of operational control in LA.
- Opportunities for further partnership with the state include help with regulations and highway infrastructure.

<u>AGENDA ITEM #3</u>	<u>TOPIC:</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
10:15 AM – 11:15 AM	California Freight Mobility Plan (CFMP) Scenario Modeling Development	Information Presentation Discussion & Feedback	Test scenarios through the model and present at the next CFAC meeting in April
	<ul style="list-style-type: none"> • Chris Schmidt, <i>Chief, Division of Transportation Planning, Caltrans</i> • Consultant Team 		Target completion date of the CFMP for late 2019

NOTES:

- Chris Schmidt introduced the California Freight Mobility Plan Scenario Modeling Development agenda item by providing a background on the establishment of previous meetings conducted over the last few months involving the scenario modeling technical subcommittee.
- Three scenarios were determined by topics resulting from the meeting discussions and will be presented in a group breakout exercise for further refinement. The CFAC was then asked to self-select which group to provide input, which were organized by:
 - Group I: Land Use and Infrastructure
 - Group II: Trade forecasts
 - Group III: Multi-modal freight system scenarios
- Summaries and key findings from Group I:
 - Questions were relegated through a vetting process to include larger overarching issues associated with land-use patterns and infrastructure scenarios, such as: Population projections, access to affordable housing, adequate pay and capacity building for the freight work force, long-range opportunity costs of integrating zero-emissions vehicles and alternative fuels, and real-estate acquisition of freight warehouse facilities adjacent to EJ communities.
- Summaries and key findings from Group II:

- A thorough economic analysis from a statewide perspective on environmental regulation impacts on high-value commodities produced in or generated through California, such as autos and electronics.
- Determining the measurement and metrics of competitiveness of California's freight system on a global scale, such as international tariffs on discretionary cargo as an example.
- Examining existing constraints on local production and distribution of goods moved over shorter distances inter-regionally.
- Summaries and key findings from Group III:
 - Possible scenarios to further test through the California freight model are platooning and automation on key corridors where long-haul trips occur (e.g. I-80 and I-5), and relaxing permitting requirements on truck weight.
 - Restrictions to allow heavy-weight trucks access on the state highway system, testing off-peak hours to reduce wear-and-tear on surface roadways, and looking at the long-term demand of short line rail projects on existing rail lines on both passenger and freight.

<u>AGENDA ITEM #4:</u>	<u>TOPIC:</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
11:15 AM – 12:15 PM	California Freight Mobility Plan (CFMP) Investment Strategy	Information Presentation Discussion & Feedback	Draft a fiscally constrained freight plan for FHWA.
	<ul style="list-style-type: none"> • Chris Schmidt, <i>Chief, Division of Transportation Planning, Caltrans</i> • Consultant Team 		<p>Develop an Investment Strategy Subcommittee (via doodle poll email) to define and articulate metrics for freight investment plans.</p> <p>Present and report findings from the Investment Strategy Subcommittee at the next CFAC meeting in spring.</p>

NOTES:

- Chris Schmidt introduced the topic of California Freight Mobility Plan (CFMP) Investment strategy to define what projects to fund.
- FHWA needs to have a clear identification of how federal dollars will be spent as in compliance with the FAST Act.
- Defining what is truly a freight project and which projects should be prioritized among the hundreds of project applications is an essential first step.
- Section 20202(c2) requires all projects to have a local match component and all available funding sources that will be available to disperse during the completion of all phases of the proposed project.
- In the next round of “call for projects” using TCEP funds, CTC will use the CFMP’s project list as a priority to consider for funding.
- The aim of the California Freight Mobility Plan is to articulate freight investment needs and funding availability to be more equitably distributed across the state.
- Scoring methodology will be done using qualitative and quantitative assessments that focuses on statewide metrics such as throughput, congestion, truck volumes, etc., along with qualitative measurements that do not more readily have numeric values, such as sustainability and resiliency for example.
- Guiding principles are local and regional efforts to improve trade facilities and corridors to achieve objectives consistent with statewide goals.
- Components needed to evaluate: a fiscally constrained investment plan for FHWA, list to help the commission to make funding decision, and a rational universe of projects.
- Suggestion: Look at the regional project list first and CFAC will identify weighting on sub-aspects of the overall score.
- Suggestion: Take the most important elements in the qualitative assessment and combine with the principles identified in the sustainable freight action plan to elevate them at the same level, since most sustainable concepts do have quantitative metrics. From an air resources perspective, the fundamental issue is not which projects are best and worst, but which projects are designed for holistic integration of core concepts.
- Suggestion: The state needs to identify which priorities are important to them and break from the listing of projects and focus on what could have an impact on making freight sustainable from both economic competitiveness and environmental sustainability.
- Comment: Trying to accommodate multiple metrics and performance measurements without a clear understanding of what is the most important principle will result in larger project lists and over saturation of competing priorities. From a local perspective, leveraging funding is a big issue, which results from appropriations from non-discretionary funding from current expenditure plans.
- Suggestion: The constrained scenario is not hard, but it’s the ranking of the
- unconstrained projects where there are challenges. The issue is dividing the projects by scale and having a basket of projects organized by mode, by infrastructure and operational improvements instead of project ranking.
- Suggestion: Something to consider is AB 617 which requires to look at areas impacting communities, which is freight and freight mobility.
- Comment: Supporting position from rural perspective, many projects are tied to

safety and getting goods to market. By providing a balanced approach to projects prioritizing will allow for more equity throughout the state.

- Comment: More emphases needs to be placed on what economic competitiveness means. How can this be articulated in a single metric?
- Summary: A suggestion is to create an investment strategy subcommittee to define our approach for investment priority criteria.

LUNCH BREAK 12:15 PM – 1:00 PM

<u>AGENDA ITEM #5:</u>	<u>TOPIC</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
1:00 PM – 1:30 PM	I-15 Truck Parking Project	Informational Presentation	N/A
	<ul style="list-style-type: none"> Barby Valentine, <i>Division of Planning and Local Assistance, Caltrans District 11</i> 		

NOTES:

- Barby Valentine presented the agenda topic, “I-15 Truck Parking Project”.
- All-electric freight vehicles have been planned to roll-out by private fleet operators such as UPS, Penske, and Frito Lay in 2019.
- A whole new line of electric semi-trucks has been developed by Tesla set to enter market, with electric recharging station infrastructure in Anaheim, Santa Clara, Ontario, La Morada, and San Diego.
- Both Nicola and Tesla have committed to install hydrogen centers and electric vehicle charging station infrastructure by 2021.
- Electric Semi-Truck Facts:
 - Provides 250 – 400-mile range ideal for Ports and short haul deliveries from distribution centers.
 - Albertsons have ordered 10 in southern California.
 - Benefits include: A reduction in greenhouse gas emission and reduced noise levels ideal for industrial land-uses with high human populations, such as Ports.
- Diesel Semi-Truck Facts:
 - In 2016, there are 2.8 million trucks registered in the US.
 - They are best used for long-haul trucking.
- Hours of Service (HOS) regulations: How can Caltrans support the reduction in GHG emissions, provide for the safety of the truck drivers, while providing a reliable

transportation system?

- In San Diego County there are 2 truck stops that offer showers and laundry-mats and they are distanced more than 10 miles apart.
- A new park-and-ride facility is located at SR 76 with 11 new spaces for truck parking.
- Idle reduction mitigation technologies are being utilized at the truck stop locations.
- Truck stop electrification helps decrease fuel costs, decrease engine wear and tear and lowers emissions.
- Public partnership between Caltrans, SDGE Medium Duty Electric Vehicle Charging Infrastructure Program:
- Supports Class 2 to Class 8 vehicles.
- eTRUs access
- Refrigeration unit can be functioning while the truck engine is turned off.
- There will need to be opportunities for further truck parking and a push for renewable fuel connections, such as solar power.

<u>AGENDA ITEM #6:</u>	<u>TOPIC:</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
1:30 PM – 2:00 PM	Otay Mesa East Project	Informational Presentation	Next Steps for 2019: How will US and Mexican Governments share revenues and staff the Port of Entry?
	<ul style="list-style-type: none"> • Mario Orso, <i>Corridor Director, Caltrans District 11</i> 		Goal is to begin construction of the Otay Mesa East border facility by 2021.

NOTES:

- Mario was introduced by Coco Briseño who provided the Otay Mesa East Project presentation.
- District 11 is the only Caltrans district with Port of Entries, covering imperial and San Diego counties—busiest POE with 100,000 people commuting through every day.
- Consists of (1) international airport, Tecate POE, Calexico East POE, and Otay Mesa East POE.
- Most used mode for goods movement are trucks - \$42.9 billion in 2017 and 1.8 million truck crossings per year including northbound and southbound estimates.
- Mexico is California's largest export trading partner in electronics, agriculture goods, vehicle parts, and medical devices.
- Trade corridor (SR-11/Otay Mesa East) partnership with SANDAG and Caltrans manages sea and land port projects with Prop 1B funds and now SB 1.

- Long delays at the border are causing suppressed economic activity—with \$7.2 billion in lost output and 62,000 lost jobs.
- Caltrans granted 10-year presidential permit which encumbered \$482 million committed for the 905-border crossing.
- Border crossings need to be connected to provide advanced traveler information and advanced security information.
- Border wait-times need to be measured and generated so that border crossings can be better managed through congestion pricing.
- Caltrans team manages the binational system and recently funded projects from TCEP and ITS.
- Port of Entry innovation design concepts are expandable and interchangeable.
- TR modelling includes data collection, analysis, modeling and forecast alternates – a complicated process.
- A financial plan is being developed to determine the scope of needs for the facilities based on revenues and costs.

<u>AGENDA ITEM #7:</u>	<u>TOPIC:</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
2:00 PM – 3:00 PM	Federal Aviation Administration (FAA) Unmanned Aircraft System Integration Pilot Program	Informational Presentation	N/A
	<ul style="list-style-type: none"> • Jesse Gipe, <i>San Diego Regional Economic Development Corporation (EDC)</i> 		

NOTES:

- Coco Briseño introduced Jesse Gipe to present the next agenda topic, “Federal Aviation Administration (FAA) Unmanned Aircraft System Integration Pilot Program.”
- FAA and DOT have developed R&D initiatives to advance the technology for the integration of drones in complex urban environments.
- San Diego was selected to participate in the program to improve BVLOS (beyond visual line of sight).
- San Diego IPP Airspace covers the entire City of Chula Vista to the border including San Ysidro and Otay Mesa East Border crossing – addressing the efficiency of goods movement across borders using drone technology.
- The missions and tests the program deploys: International Commerce and Safety – looking at international commerce, public safety and smart city integration & package delivery for food (Uber Eats and Uber Elevate) and medical items (Matternet).
- Public safety mission: Goal to leverage drones to provide real time video intelligence to first responders arriving on scene to active emergencies.
- Food delivery mission: Goal to leverage drones to deliver food to consumers more

rapidly across San Diego County and Chula Vista.

- What will the air traffic management look like in the years ahead? FAA will have rights to the airspace, but there will be more local and state control for decision as where and how the UAS technology will be deployed.

<u>AGENDA ITEM #8:</u>	<u>TOPIC:</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
2:30 PM – 3:00 PM	FHWA, CTC, CalSTA, and Caltrans Updates Q & A	Panel Discussion Questions & Answers	CUFC / CRFC Mile Designations are ongoing and MPOs are encouraged to submit them.
	<ul style="list-style-type: none"> • Tashia Clemons, <i>Director, Program Development, Federal Highway Administration – California Division</i> • Susan Bransen, <i>Executive Director, California Transportation Commission (CTC)</i> • Marlon Flournoy, <i>Deputy Secretary, Transportation Planning California State Transportation Agency (CalSTA)</i> • Chris Schmidt, <i>Chief, Division of Transportation Planning, Caltrans</i> 		(CTC): Important timeline considerations need to be discussed regarding CFMP project lists and funding cycles, since Fast ACT provides funding through 2020.

NOTES:

- Tashia Clemons, Director (FHWA) introduced the topic, “FHWA, CTC, CalSTA, and Caltrans Updates Q & A” by notifying the CFAC that the NOFO is out for INFRA grants – the applications are **due March 4th**, not the 6th as originally mentioned in the email notification.
- For the Critical Urban Corridor Designation (CUFC), California has been designated 28 miles, for Critical Rural Freight Corridors (CRFC), California has designated 24 miles. FHWA will encourage local partners to designate miles, but if not, there will be no

withdrawal of miles allocated.

- On a national level, only 32 states have designated miles through the National Highway Freight Funds.
- Marlon Flournoy from CalSTA presented updates on the Sustainable Freight Action Plan's Progress Report. Goal is to re-convene and have a full report to take to the Governor's Office in February.
- The Department of Housing and Community Development will not be participating in the CFAC. All inquiries regarding housing and will be forwarded to the Housing and Transportation Coordination Workgroup.
- Susan Bransen from the California Transportation Commission (CTC) spoke about the TCEP program. For the next programming cycle, there will be a round of Program of Projects (POP) in the middle of 2019 using guidelines already adopted.
- Performance benefits and measurements – CTC is looking into how the proposed project benefits are estimated up-front and measured at the end-phases of the project. There is a level of accountability to ensure each project is delivered as promised.
- Programming cycle – whether there should be additional requirements for the on-system projects to the state asset management plan.
- Adopting the program of projects in June of 2020 and a discussion needs to be presented on how many years of funds should be set aside in the next cycle. The federal FAST Act only provides funding through 2020 and some assumptions need to be made regarding timelines and schedules.
- If the CFMP is not finalized or adopted in early 2019 the program may be delayed.
- Suggestion: The state should advocate lifting the freight multi-modal cap because that's the only source of TCEP funding for rail projects.
- Question: Do you have an INFRA nomination and co-sponsoring process established?
- Answer: Yes.
- Reminder: Please do not forget that it can take up to thirty days for the FHWA to review the state freight plan.
- Chris Schmidt provided an update from Caltrans. The CTP 2050 kickoff is underway with the technical advisory committee sessions with two visioning sessions in northern and southern California.
- The State Rail Plan was released in October and looks at the convergence of the movement between passenger and freight rail over short and middle-term. It is our intention to provide input from the plan into the CTP 2050.
- Caltrans Corridor Planning Guidebook has been released and open for review until February 5th.
- INFRA and BUILD RFPs have been released and Caltrans is looking at submitting three from each agency.
- There were five BUILD grants received for a total of 4% of the total funding for the nation, should be at 10%. California has received only 6.3% of the INFRA dollars.

<u>AGENDA ITEM #9:</u>	<u>TOPIC:</u>	<u>PURPOSE:</u>	<u>ACTION ITEMS:</u>
3:00 PM – 3:15 PM	Public Comments, Meeting Wrap-Up & Next Steps	Closing Comments	Scenario Development Subcommittee Meeting will provide feedback & recommendation at the next CFAC meeting. Email CFAC members timeline and major milestones of the 2019 CFMP development.
	<ul style="list-style-type: none"> Coco Briseño, <i>Deputy Director, Planning and Modal Programs, Caltrans</i> 		<p>Investment Strategy Topic: Agreement was made to form a subcommittee and schedule a Webex meeting to provide updates at the next CFAC.</p> <p>Critical Urban and Rural mile designations need a strategy plan.</p> <p>Corridor Planning Guidebook will be sent to CFAC for comments and feedback.</p>

NOTES:

- The meeting wrap-up was delivered by Coco Briseño requesting public comments. No comments were made.
- Key action items and next steps were outlined for the state between now and the next CFAC meeting.

MEETING ADJOURNED
3:15 PM